## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of	)	
	)	
Dale N. Hatfield's Report re Details of Inquiry	)	WT Docket No. 02-46
On Technical and Operational Issues Affecting	)	
Deployment of Wireless E911 Services	)	

## COMMENTS OF THE

NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION

The National Telecommunications Cooperative Association (NTCA)<sup>1</sup> hereby submits its comments in response to "A Report on Technical and Operational Issues Impacting the Provision of Wireless Enhanced 911 Services," prepared for the Commission by Dale N. Hatfield and filed on October 15, 2002 (the Hatfield Report.) The Hatfield Report assesses enhanced emergency 911 services (E911) deployment issues and proposes methods of overcoming any obstacles and accelerating deployment.

In his report, Hatfield states that "[i]n order to respond to the need for increased coordination in the rollout of wireless E911 and the evolution of E911 more generally, I recommend that the Commission...continue to urge the creation of organizations at the state, regional and local levels of government that can act as a coordinating body in the

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<sup>&</sup>lt;sup>1</sup> NTCA is the premier industry association representing rural telecommunications providers. Established in 1954 by eight rural telephone companies, today NTCA represents more than 555 rural rate-of-return regulated incumbent local exchange carriers (ILECs). All of its members are full service local exchange carriers, and many members also provide wireless, cable, Internet, satellite and long distance services to their communities. Each member is a "rural telephone company" as defined in the Communications Act of 1934, as amended (Act). And all of NTCA's members are dedicated to providing competitive modern telecommunications services and ensuring the economic future of their rural communities.

rollout of wireless E911 services..." NTCA agrees that a coordinating body is needed an believes it is crucial that any such organizations include a rural component. Rural service providers are different than their urban counterparts, and face vastly different challenges in providing service to their customers. An E911 deployment solution that may work very well for a provider serving a heavily-populated urban area may be all but unworkable for rural carriers. Including a rural perspective in any organization created to coordinate the deployment of E911 services will insure that any resultant proposals will be workable for all carriers.

In the report, Hatfield notes that while the FCC has "requested information on how the ILECs planned to recover the costs of the necessary upgrades to support wireless E911, it did not request specific tariff/pricing information." He recognizes the potential problem regarding pricing to cover costs, "which could be especially severe in those states that do not have a cost-recovery program in place." Rural carriers in particular face higher costs resulting from their smaller customer base over which to spread the cost of necessary E911 upgrades. Hatfield proposes "as a minimum...that the Commission work closely with the individual state public utility commissions and their nationwide organization, the National Association of Regulatory Utility Commissioners ("NARUC") to alert them to the importance of the pricing issue to the rollout of wireless E911 on a nationwide basis." NTCA proposes taking this one step further, urging the Commission to adopt a liberal approach to granting waivers to those small carriers facing excessively high costs.

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<sup>&</sup>lt;sup>2</sup> Hatfield Report, p. *iv*.

<sup>&</sup>lt;sup>3</sup> *Id.*, p. 34.

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> *Id*.

Hatfield raises the issue that those wireless providers with low churn rates using a handset based solution for E911 deployment would be unfairly penalized as they seek to meet rollout targets<sup>6</sup>. These carriers would be compelled to offer equipment discounts to their customers in order to meet these targets. NTCA believes that this is a valid concern, especially for small wireless carriers serving rural areas. In its 2002 Wireless Survey, NTCA found that 85% of survey respondents offering wireless services reported average annual churn rates of 25% or less, and 55% of respondents reported churn of less than 10% annually<sup>7</sup>. Meeting rollout targets would require the carrier to identify and contact current customers, an additional expense to be borne by the carrier. NTCA requests that the Commission take these concerns into consideration, and provide small rural wireless carriers greater flexibility in meeting E911 deployment targets.

## **CONCLUSION**

Any state, regional, and local coordinating bodies established to promote the deployment of E911 services must have a rural component in order to address the special needs and concerns of rural providers. The FCC should consider granting waivers to those carriers with high E911 deployment costs in states that do not have a cost recovery mechanism in place. In addition, NTCA requests that the Commission take into consideration the impact of low churn rates on E911 deployment costs for those wireless

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<sup>&</sup>lt;sup>6</sup> *Id.*, p. 44.

<sup>&</sup>lt;sup>7</sup> NTCA 2002 Wireless Survey Report, p. 7, October 2002. Available on the NTCA website, <u>www.ntca.org</u>.

carriers utilizing a handset based solution, and allow affected carriers greater flexibility in meeting deployment targets.

Respectfully submitted,

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November 15, 2002

## CERTIFICATE OF SERVICE

I, Gail Malloy, certify that a copy of the foregoing Comments of the National Telecommunications Cooperative Association in WT Docket No. 02-46, DA 02-2666 was served on this 15th day of November 2002 by first-class, U.S. Mail, postage prepaid, to the following persons.

/s/ Gail Malloy Gail Malloy

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